



DEPARTMENT OF THE NAVY
OFFICE OF THE SECRETARY
1000 NAVY PENTAGON
WASHINGTON, DC 20350-1000

IN REPLY REFER TO

SECNAVINST 12432.1
ASN(M&RA)/DASN(CP/EEO)
30 August 2000

SECNAV INSTRUCTION 12432.1

From: Secretary of the Navy

Subj: ACTIONS BASED ON UNACCEPTABLE PERFORMANCE

Ref: (a) Chapter 43 of Title 5, United States Code
(b) Title 5, Code of Federal Regulations, Part 432,
"Performance Based Reduction in Grade and
Removal Actions"
(c) DoD 1400.25-M, Subchapter 430, "Performance
Management" of Dec 96 (NOTAL)
(d) SECNAVINST 12430.4 of 11 Aug 97
(e) Chapter 71 of Title 5, United States Code

1. Purpose. To establish Department of the Navy (DON) policy for effecting reduction in grade and removal of employees based solely on unacceptable performance, in compliance with references (a) through (c).

2. Background. Reference (d) established the DON two-level summary rating performance appraisal program. This program appraises an employee's performance at either the "acceptable" or "unacceptable" level.

3. Policy. At any time during the appraisal period that performance is determined to be unacceptable, employees are to be formally notified in writing, as required by references (a) through (c), and given a reasonable opportunity to demonstrate acceptable performance. If, at the conclusion of the opportunity period, an employee's performance continues to be unacceptable, the activity must initiate reassignment, reduction in grade, or removal action. Specific procedures for reduction in grade and removal based on unacceptable performance will be addressed through implementing guidance.

4. Definitions

a. Acceptable Performance. Performance of an employee which meets the established performance requirement(s) or standards, at

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a level above unacceptable, in all critical elements of an employee's position.

b. Reduction in Grade. The involuntary assignment of an employee to a position at a lower classification or job grading level. For purposes of this instruction, a reduction in grade is always to the first step or entry salary level of the grade to which the employee is reduced.

c. Removal. The involuntary separation of an employee from employment with an activity or command.

d. Unacceptable Performance. Performance of an employee which fails to meet established performance standards in one or more critical elements of the employee's position.

5. Responsibilities

a. The Assistant Secretary of the Navy (Manpower and Reserve Affairs) is responsible for the development and issuance of implementing guidance and procedures. This responsibility is redelegated to the Deputy Assistant Secretary of the Navy (Civilian Personnel/Equal Employment Opportunity) (DASN(CP/EEO)).

b. Echelon 1 and 2 commands are responsible for assuring that this policy is implemented within their respective organizations.

c. Heads of naval activities and Marine Corps commands:

(1) Are delegated authority to propose and decide reduction in grade and removal actions based on this policy.

(2) May delegate authority to propose and decide such actions to subordinate managers and supervisors to the extent they deem appropriate.

(3) Are reminded of their obligations under the Federal Service Labor-Management Statute, reference (e), to fulfill any requirement for collective bargaining prior to implementation.

6. Action. The DASN(CP/EEO) will issue implementation guidance and procedures which conform to this policy. Addressees will

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follow this instruction and implementation guidance when effecting actions based on unacceptable performance.

Richard Danzig

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